

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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LIAONING CHENG DA JOYLAND CO.,)	
LTD., f/k/a, LIAONING CHENGDA)	Case No. 08-cv-4604 (Rakoff)
ENTERPRISES, CO. LTD.,)	
Plaintiff,)	
v.)	
)	
ALSTON TAYLOR USA, INC., CHINARED)	
USA, AND ALSTON TAYLOR USA INC.)	
D/B/A CHINARED USA,)	
)	
Defendants.)	
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PLAINTIFF’S ANSWER TO DEFENDANTS’ COUNTERCLAIMS

Plaintiff Liaoning Cheng Da Joyland Co., Ltd, formerly known as Liaoning Chengda Enterprises Co., Ltd. (“Plaintiff”), by its attorneys DeHeng Chen Chan, LLC, answers defendants’ Alston Taylor USA, Inc., ChinaRed USA, and Alston Taylor USA, Inc. d/b/a ChinaRed USA’s (“Defendants”) counterclaims, upon information and belief, as follows:

1. It denies the truth of each and every allegation contained in paragraph 20, except that Plaintiff and Defendants started doing business in or about 2001.
2. It neither admits nor denies the truth of each and every allegation contained in paragraph 21 as it alleges a conclusion of law to which no response is required, except states that it reached certain agreements in writing.
3. It denies the truth of each and every allegation contained in paragraph 22, except refers to the documents referenced therein for their contents.

4. It denies the truth of each and every allegation contained in paragraphs 23, 24, 25, 31, 33, 35, 36, 45, 46, 51, 52, 53, 54, 55, 56, 57, 58, 59, second paragraph 57, second paragraph 58, second paragraph 59 and 60.
5. It denies the truth of each and every allegation contained in paragraph 26, except that Plaintiff agreed to a modification on the contract price provided Plaintiff was paid promptly. To date no payment has been made thereon.
6. It denies knowledge or information sufficient to form a belief as to the truth of any of the allegations contained in paragraphs 27, 29, 37, 38, 39.
7. It denies knowledge or information sufficient to form a belief as to the truth of each and every allegation contained in paragraph 28, except as same may appear of record.
8. It denies the truth of each and every allegation contained in paragraph 34, except as may appear of record.
9. It denies the truth of each and every allegation contained in paragraphs 40, 41, 42, 43 and 44, except that Plaintiff received a total of \$82,724.80.
10. It denies the truth of each and every allegation contained in paragraph 30, 47, 49 except as may be claimed in this action.
11. It denies the truth of each and every allegation contained in paragraph 48, except refers to said purchase order for its terms.
12. It denies that it was responsible for any alleged loss claimed by Defendants in paragraph 50, and denies knowledge or information sufficient to form a belief as to the truth of the allegations relating to Defendants' alleged revenue for 2006 and 2007.

AFFIRMATIVE DEFENSES

13. Defendants' counterclaims are barred by laches and estoppel.

14. Defendants' counterclaims are barred, in whole or in part, by the applicable statute of limitations.

WHEREFORE, Plaintiff demands judgment dismissing the counterclaims, together such other relief as may be proper.

Dated: New York, NY
July 22, 2008

DeHeng Chen Chan, LLC

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